

16 December 2019

Mr Craig Wrightson  
General Manager  
Lane Cove Council  
48 Longueville Road  
Lane Cove Council NSW 2066

Dear Craig,

**Re: 524-542 Pacific Highway St Leonards NSW ("Site")**

As registered owner of 524 Pacific Highway, St Leonards, Telstra Corporation Limited (Telstra) understands that Lane Cove Council is currently reviewing Grocon's planning proposal (which includes St Leonards Telephone Exchange) and has raised concerns regarding the quantum and quality of office accommodation within the proposed development.

Given Telstra's ownership in part of the Site, with the existing Telephone Exchange operations to be retained within the proposed development, Telstra has been engaged throughout the emerging proposals.

As part of our ongoing review of our accommodation strategy, we have a small presence in St Leonards and we also note that a substantial portion of workforce in NSW will benefit if we have a larger presence in the northern suburbs in Sydney.

This forms part of a wider strategy that considers the repositioning of Telstra's accommodation footprint across Greater Sydney. St. Leonards represents an ideal location as part of this strategy with its access to excellent public transport & amenity, which will be further enhanced upon completion of the new Metro station. Given Telstra's interest in the site, and the potential to structure a transaction that optimises leasing costs, Grocon's proposed development has been identified as a preferred location and we will be able to accommodate approximately north of 500 workforce. The attractiveness of St Leonards to Telstra hinges on Telstra's ability to leverage its interest in this site.

Through discussions with Grocon, it is understood that the current proposal can meet these requirements, subject to gaining certainty around the planning process and timeframes.

Telstra hopes that this letter assists by:

- a) Allaying Council's concerns regarding the quantum and quality of office accommodation proposed within Grocon's planning proposal; and
- b) Demonstrating Telstra's interest in office accommodation at this location, but only if delivery certainty can be achieved in line with its requirements.

Please feel free to contact the undersigned should you have any further questions.

Yours sincerely  
Telstra Corporation Limited



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